

STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
Land Division
Honolulu, Hawaii 96813

April 28, 2006

Board of Land and Natural Resources
State of Hawaii
Honolulu, Hawaii

Hawaii

Consent to Assignment of Term, Non-exclusive Seawall Easement Identified as General Lease No. S-5211, Philip D. Gray and Carolyn M. Gray, Trustees of the Philip & Carolyn Gray Living Trust and Mark Van Pernis, Assignor, to Alohi Kai Partnership, Assignee, and Assignment of Easement from Alohi Kai Partnership, Assignor to Ke 'Alohi Kai Association, Incorporated, Assignee, Kaumalumu, North Kona, Hawaii, Tax Map Key: 3rd/7-7-24:makai of 07 (formally 3rd/7-7-04:makai of 03).

APPLICANT:

Philip D. Gray and Carolyn M. Gray, Trustees of the Philip & Carolyn Gray Living Trust UDT 12/07/1983 and Mark Van Pernis, as Assignor, to Alohi Kai Partnership, a Hawaii Limited Partnership whose business and mailing address is P.O. Box 2156 Kailua-Kona, Hawaii, 96745, as Assignee, and Alohi Kai Partnership, as Assignor to Ke 'Alohi Kai Association, Incorporated, a Hawaii Nonprofit Corporation, whose business and mailing address is c/o Certified Management, Inc., 3179 Koapaka Street, 2nd floor, Honolulu, Hawaii 96819, as Assignee.

LEGAL REFERENCE:

Section 171-36(a)(5), Hawaii Revised Statutes, as amended.

LOCATION:

Portion of Government lands situated at Kaumalumu, North Kona, Hawaii identified by Tax Map Key: 3rd/7-7-24:makai of 07 (formally 3rd/7-7-04:makai of 03), as shown on the attached map labeled Exhibit A.

AREA:

2,420 square feet, more or less.

TRUST LAND STATUS:

Section 5(b) lands of the Hawaii Admission Act

DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: NO
CHARACTER OF USE:

Non-exclusive term seawall easement purposes.

TERM OF LEASE:

55 years, commencing on 01/12/1990 and expiring on 01/11/2045.

ASSIGNMENT CONSIDERATION:

\$ 10.00.

RECOMMENDED PREMIUM:

Not applicable.

DCCA VERIFICATION:

ASSIGNOR: *Philip D. Gray and Carolyn M. Gray, Trustees and Mark Van Pernis*
Not required as Assignors are individuals.

ASSIGNEE: *Alohi Kai Partnership*

Place of business registration confirmed:	YES <u>X</u>	NO <u> </u>
Registered business name confirmed:	YES <u>X</u>	NO <u> </u>
Good standing confirmed:	YES <u>X</u>	NO <u> </u>

ASSIGNOR: *Alohi Kai Partnership*

Place of business registration confirmed:	YES <u>X</u>	NO <u> </u>
Registered business name confirmed:	YES <u>X</u>	NO <u> </u>
Good standing confirmed:	YES <u>X</u>	NO <u> </u>

ASSIGNEE: *Ke 'Alohi Kai Association, Incorporated*

Place of business registration confirmed:	YES <u>X</u>	NO <u> </u>
Registered business name confirmed:	YES <u>X</u>	NO <u> </u>
Good standing confirmed:	YES <u>X</u>	NO <u> </u>

REMARKS:

At its meeting of January 12, 1990, the Board of Land and Natural Resources under Agenda Item F-10, approved as amended, the direct sale of a non-exclusive, term seawall easement at Kaumalumu, North Kona, Hawaii to Yotsuyaken Corporation.

Further at its meeting of March 25, 1993, the Board under Agenda Item F-1-a, approved the assignment of Term Non-exclusive Easement GL S-5211 from Yotsuyaken Corporation as Assignee to Philip D. Gray and Carolyn M. Gray, Trustees of the Philip & Carolyn Gray Living Trust UDT 12/07/1983 and Mark Van Pernis as Assignee.

Alohi Kai Partnership was created for the purpose of developing a subdivision (and subsequent new TMK) on property the easement serves. The principles for the Partnership are Philip Gray and Mark Van Pernis. The Ke 'Alohi Kai Association is the

subdivision lot owners association currently responsible for the management of the subdivision.

The Lessee is compliant with all lease terms and conditions with regards to insurance. There is no bond requirement.

The Assignee has not had a lease, permit, easement or other disposition of State lands terminated within the last five years due to non-compliance with such terms and conditions.

Consideration for this easement was a one-time payment of \$9,680.00, as such there are no reopening issues.

Staff is recommending that the Board consent to the Assignment of term, non-exclusive seawall easement identified as GL S-5211 Philip D. Gray and Carolyn M. Gray, Trustees of the Philip & Carolyn Gray Living Trust and Mark Van Pernis, Assignor, to Alohi Kai Partnership, Assignee, and Assignment of Lease from Alohi Kai Partnership, Assignor to Ke Alohi Kai Association, Incorporated, Assignee.

RECOMMENDATION:

That the Board Consent to the Assignment of term, non-exclusive seawall easement identified General Lease No. S-5211, Philip D. Gray and Carolyn M. Gray, Trustees of the Philip & Carolyn Gray Living Trust and Mark Van Pernis, Assignor, to Alohi Kai Partnership, Assignee, and Assignment of Easement from Alohi Kai Partnership, Assignor to Ke Alohi Kai Association, Incorporated, Assignee, subject to the following:

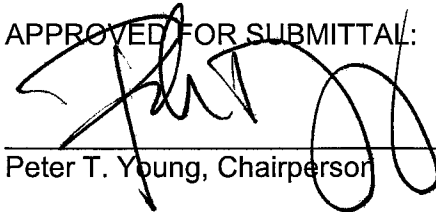
1. The standard terms and conditions of the most current consent to assignment form, as may be amended from time to time;
2. Review and approval by the Department of the Attorney General; and
3. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

Respectfully Submitted,



Gordon C. Heit
Land Agent

APPROVED FOR SUBMITTAL:



Peter T. Young, Chairperson

EXHIBIT A

Dropped Parcel 2.

DEPARTMENT OF FINANCE PROPERTY RECORDS DIVISION MAPPING BRANCH TAX MAP			
ZONE	COUNTY	SECTION	PLAT
7	7	7	24

SCALE: 1 IN. = 30 FT.

PRINTED:

Owner, lessee, & vendee name recorded with this map and may not be current. Please refer to computer and history sheets for current information.

FOR PROPERTY ASSESSMENT PURPOSES - SUBJECT TO CHANGE

'ALOHI KAI SUBDIVISION, LD. CT. APP. 1980, MAP 3, KAUAI, HAWAII (Formerly par. 7-7-40)

SUBJECT LOCATION

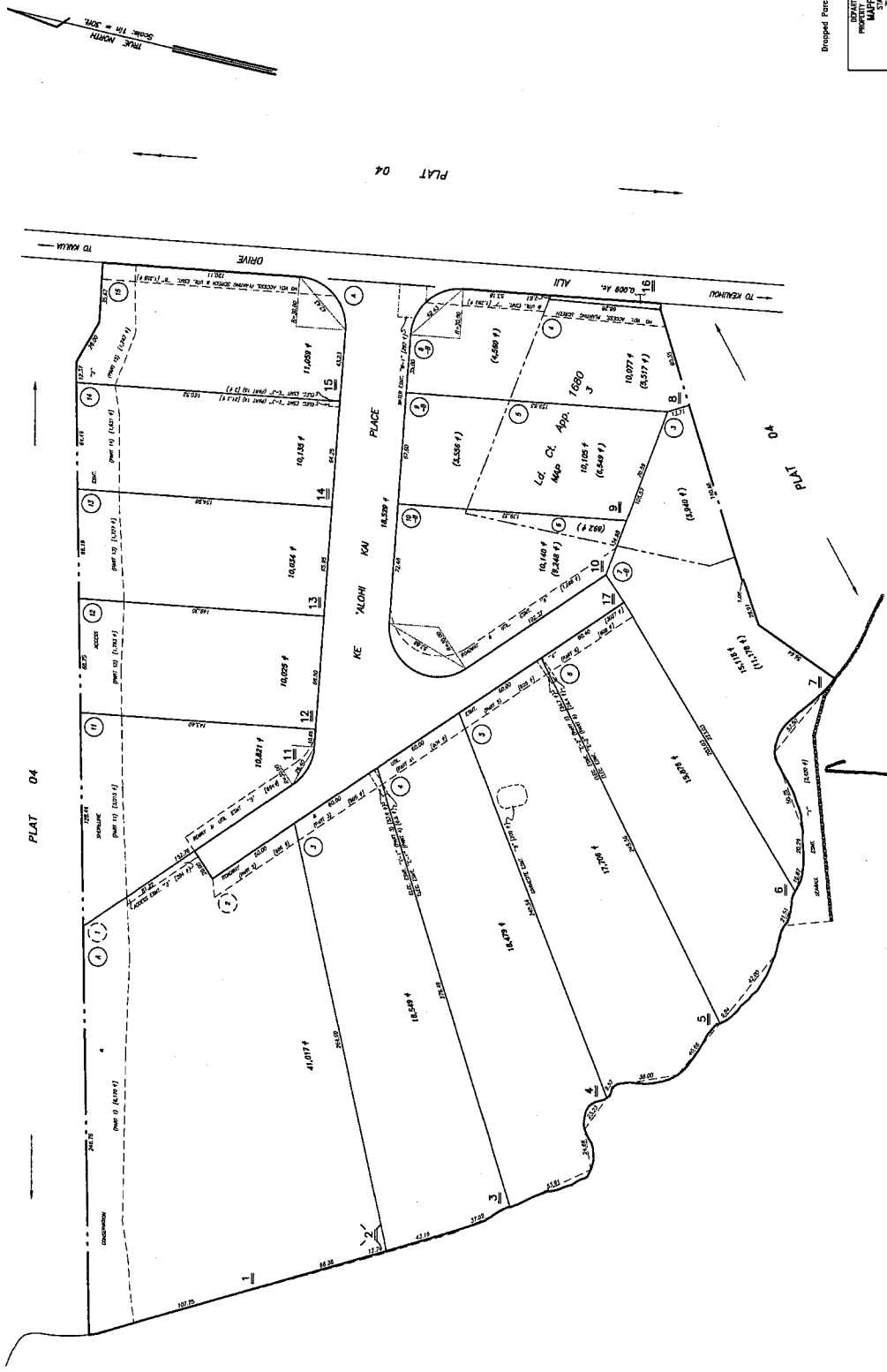


EXHIBIT A

TMK: 3rd/7-7-24: makai of 07

